

# The radical's dilemma: an overview of the practice and prospects of Social and Public Labs – Version 1

Geoff Mulgan, February 2014

*Nesta has a great interest in the work of labs – teams using experimental methods to address social and public challenges. We host the 70-strong **Innovation Lab**, which includes a joint team with the UK Cabinet Office, and programmes with local government and the health service as well as civil society. In the early 2000s Nesta set up **Futurelab** working in education, and subsequently spun out, and we recently launched a joint venture to spin one of the most successful innovation labs out of government: the **Behavioural Insights Team**.*

*We've also done research on innovation methods and labs in the public sector worldwide (including the **Open Book of Social Innovation** which documented many of these, and a forthcoming study with Bloomberg Philanthropies on innovation teams (**i-teams**) in national, regional and city government). And we collaborate with other Labs and innovation teams around the world, through **SIX<sup>i</sup>** and other networks, sharing experiences and methods.*

*This note summarises a personal view of the field of innovation labs - and what might lie ahead – largely based on Nesta experience. It looks at the ways in which labs need to be both insiders and outsiders at the same time – and the practical challenges of the classic 'radical's dilemma'. If they stand too much inside the system they risk losing their radical edge; if they stand too far outside they risk having little impact. It follows that the most crucial skill they need to learn is how to navigate the inherently unstable role of being both insiders and outsiders; campaigners and deliverers; visionaries and pragmatists.*

## **Background – what is a lab?**

Laboratories developed in the 18th-19<sup>th</sup> centuries in science and technology, bringing together systematic experiment, development and measurement of new ideas. They offered a safe space for trying out ideas - before the successes were then taken out into the world. Since then labs have become common in chemistry, physics, electronics, and biology. Versions of labs are present in most schools.

Some labs are deliberately very removed from real life. But from an early date agricultural labs showed how labs could be more integrated with the outside

world, with research centres like Rothamsted (set up in the mid-19<sup>th</sup> century) providing an environment in which new crops and fertilisers, and combinations of the two, could be experimented with.

**History** - The idea of applying similar principles to *social* issues gained ground in the 19<sup>th</sup> century, thanks to various strands of positivism, utopian thinking and reform. The proponents believed that small scale experiments could demonstrate the potential direction of social change, part of a broader movement of utopian ideas (many of which included practical expressions). Robert Owen, for example, saw his cooperatives, schools and healthcare in 19<sup>th</sup> century Scotland as a laboratory.<sup>ii</sup> Later on, psychology led the way in extending scientific lab methods into society, with many experimental labs in the late 19<sup>th</sup> century. Other examples of labs for social change include the Musee Sociale in Paris in the 1890s.

**Theory** - These labs developed alongside new theories which made the case for experimentalism as an alternative to blueprints – from John Stuart Mill’s advocacy of living experiments (and of the role of the state in providing space for people to experiment); to John Dewey’s arguments for practical experimentation in education; to Karl Popper’s account of the virtues of incremental experimentalism. Popper argued that experiment was preferable to top down design of new institutions, economies and laws, because it allowed for evolution, adaptation and improvement on a small scale to improve ideas before they were generalised. He also argued that one virtue of piecemeal social engineering was that it treated each new issue as *sui generis*, and not as the basis for generalisations. Contemporary theorists, such as Roberto Mangabeira Unger, have drawn on the legacy of Dewey and others to show how experimentalism can form part of a much more ambitious approach to politics in the 21<sup>st</sup> century.<sup>iii</sup>

**Words** - There is no shared definition of what constitutes a social or public lab, though it might be expected to include *experimentation in a safe space at one remove from everyday reality, with the goal of generating useful ideas that address social needs and demonstrating their effectiveness.*

However, sometimes the word ‘laboratories’ is used metaphorically. States and cities are often described as laboratories of reform (in the 1930s the US Supreme Court Justice Brandeis wrote that a ‘state may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country’). The word is also currently being used by many organisations which look more like consultancies or events organisers. A quick google search also finds dozens of other organisations using the language of labs

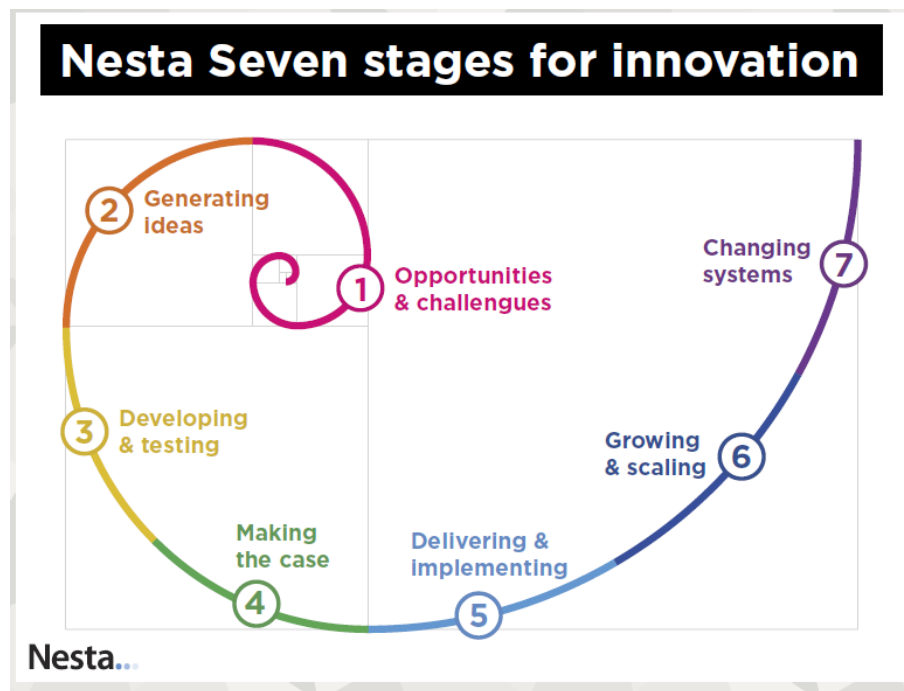
or social labs to describe everything from brand development and marketing to facilitation. Here I use it more precisely to describe institutions using experimental methods to design or discover new ways of working that address social and public needs.

### ***The landscape of public and social labs***

There are now many different kinds of lab applying method to social problems or public sector. Some can be found in universities in relation to social action, research, experimentation, and a new generation of social science parks looks likely to take this into new fields, such as computational social science.

There are several hundred 'living labs', mainly technology based, and enabling some user input to shaping technologies. More recently, labs of various kinds have spread into governments, some using design methods, some focused on data, or using challenges to elicit ideas. Many of these were documented in the *Open Book of Social Innovation*; a more thorough study of public sector ones is coming out shortly in the forthcoming Nesta/Bloomberg Philanthropies research study on i-teams. Other useful overviews include one prepared by SIG/MaRS,<sup>iv</sup> and a Parsons-prepared visual graphic.<sup>v</sup>

All of the labs described below focus on the first three stages of the innovation spiral summarised below – better understanding needs and opportunities; generating ideas; and testing them in practice. Labs don't usually include capacities to take ideas on into implementation and scale. Some are closely tied into big institutions with power and money, others have very few means to spread their best ideas. But most aspire to influence whole systems and not just generate ideas.



Labs can be distinguished on several main axes:

- By the main **method** they use (design, data, behavioural economics, hybrid &c)
- By the **field** in which they work (education and healthcare to development)
- By where they focus along the journey from **upstream to downstream** (ie from understanding issues, through generating ideas to implementation and scale)
- By **how they work**: whether they innovate themselves (eg running experiments), advise, use open innovation methods, or primarily work through funding others.
- By the extent to which they are directly involved with **government** – from labs within governments, to ones at arms-length and others wholly separate

These variables can be mixed in almost any combination – though a more thorough research of labs would show particular clusters.

### ***Methods for Labs***

The simplest way to differentiate Labs is through the first of these variables – the distinctive methods they use. These are some of the main ones:

DESIGN: these labs try to introduce design thinking into government or civil society. They include Mindlab, the Human Experience Lab in Singapore, TACSI in Adelaide, the relatively short-lived Helsinki Design Lab and DesignGov in Australia, Futuregov in the UK, and others such as Region 27 in France. Others using design methods but less oriented to government include the Institute without Boundaries and Stanford's Design for Change Lab. There has been a steady growth in the number of labs using design methods despite some setbacks. Design approaches provide a very useful complement to traditional bureaucratic, top down policy methods. As I've shown elsewhere some elements of design thinking are not unique to design – the use of ethnography and citizen input; rapid prototyping etc - but can still be powerful.<sup>vi</sup> Others – notably visualisation techniques – are much newer, and introduce very different insights to fields predominantly based on text and numbers.

CITIZEN-LED IDEAS INCUBATORS: another group of labs share many similar methods, and see themselves as incubators of ideas derived from citizens rather than experts. These often use a mix of tools – from engagement methods to rapid implementation, some drawing on the traditions of intermediate technology. Many of the organisations or programmes called 'Social Innovation Labs' are of this kind – such as the SILs set up by OASIS in India, BRAC's Social Innovation Lab in Bangladesh, MaRS Solution Lab in Toronto, the Lien Centre's Social Collaboratory in Singapore, the Sociallab in Chile, or the Goodlab in Hong Kong. Often there is a strong ethos of empowerment.

DATA AND DIGITAL TECHNOLOGY: Another group of labs emphasise data, with many brought together in the Open Government Partnership. These include Code for America and the teams around its various fellows, groups like the Office for Urban Mechanics in Boston, ODI in the UK, and the team around the new CIO in Mexico. These various datalabs have yet to take a stable form but generally involve small teams of programmers working with public servants, or civil society, to design new ways of combining public data or developing web-based services.<sup>vii</sup> Other labs have a broader remit to innovate in digital tools – such as MySociety in the UK. The Living Labs are a related group which primarily focus on developing new technologies with some involvement of users. Across Europe there are also many Living Labs receiving public funding, usually from R&D programmes and linked in the European Network of Living Labs. The Global Living Labs organisation, now established as private company, has a more commercial approach, working mainly with city administrations helping them procure technology-based solutions.

**EXPERIMENT-BASED/PSYCHOLOGY:** these labs emphasise the use of formal experiments. J-PAL based in the US is a good example, primarily running RCTs in development. A prime example of a lab based on psychology is the Behavioural Insights Team, recently spun out of the UK government into a partnership with Nesta, and emulated in the US and Singapore. These are labs in quite a strict sense in that they run experimental trials, and pay attention to data.

**ORGANISATION-BASED:** these are Labs working within a single organisation to generate new ideas and options. UNICEF's Labs in Kosovo, Uganda, Zimbabwe, and Copenhagen are good current examples.<sup>viii</sup>

**PROCESS-ORIENTED LABS:** process-led labs use multi-stakeholder processes and systemic change events to generate ideas and build coalitions for change. Various consultancies promote this approach including Forum for the Future and Reos Partners.<sup>ix</sup>

**FUNDING/HYBRID:** these Labs use open funding methods to support a wide range of projects, and generally use a range of different methods. Nesta's Innovation Lab is a good example – providing intensive support both to small scale experiments and subsequent scaling up; supporting systemic innovation in localities; 'rapid results' methods; venture investment and acceleration; and tools to promote adoption of innovations.<sup>x</sup> Other more hybrid labs include Change Fusion in Thailand, Kennisland in the Netherlands, and the Hope Institute in Korea.

**INCUBATORS/ACCELERATORS:** these Labs overlap with the many commercial and social accelerators and incubators around the world. They aim to create new ventures, or offshoots of existing firms, that address social needs, for example in health. Some focus on intensive support for cohorts of start-ups, with the primary aim of getting them ready for follow on funding, and in some cases contracts. Nesta will soon publish a 'Field Guide to Accelerators' drawing on global best practice.

### ***Sector-based labs***

There are many labs defined more by the field of operation. For example:

- **In education,** Futurelab in the UK was a spinout from Nesta focused on educational technology, which operated throughout the 2000s. Other examples include the Innovation Unit (a spinout from the Department for Education), New York's education I-zone, and the lab created by the Office of Personnel Management in the US Federal Government.

- **In health** there are many examples, including the Institute of Health Improvement in the US and MIT Agelab, and in the UK, the NHS Innovation Institute, Health Launchpad and the NHS Regional Innovation Funds.

A systematic survey would undoubtedly find hundreds of these more specialised labs working in different fields.

### ***The state of knowledge and craft***

The social and public labs have much less history to draw on than labs in science and technology. So far there has been little serious assessment of the effectiveness of different methods. Many labs are run by enthusiasts for particular methods, and see their role more as advocacy than testing. Some can point to the impact achieved by particular projects and programmes, but few have yet had any independent validation of their claims.

A series of recent meetings have brought together many labs to share experiences and insights (eg hosted by Kennisland, MaRS, SITRA, SIX and others), and the craft knowledge of the field is advancing fast, helped by a strong ethos of learning and honesty and some helpful recent books.<sup>xi</sup>

The discussions have highlighted a series of critical challenges for many of the labs:

- ***Efficacy of method*** – there is a great deal of experiment underway with methods, and some convergence: linking work to big systemic problems; close engagement of the people most affected by those issues; co-design; fast prototyping; and bringing together coalitions of supporters. This mix of methods shows the scale of ambition of many labs. But the tricky questions mainly flow from the scale of ambition: i) the timescales necessary for achieving significant change on this scale; ii) the very wide range of skills needed to influence the conditions for systems to change; iii) the issues of power and politics raised by more radical ideas. More modest lab models may have a higher chance of success: for example generating new service models within existing NGOs or professions.
- ***Model of impact and scale*** - many scientific Labs exist within larger organisations which have mature systems for adoption and scale (eg the classic examples like Bell Labs, or university based labs developing new biotechnology solutions). Most social innovation Labs by contrast are not

sufficiently linked into systems of investment, scale and adoption, and therefore risk generating interesting ideas with little prospect for implementation. A lot of attention has been paid recently to this issue – for example, improving the incentives for existing public services to adopt promising or proven new innovations.

- **Demonstrating success.** Many Labs think of their work in terms of demonstration – showing a new method in the hope that this will lead to take up by others. All implicitly aim to catalyse demonstrable change. Yet it is inherently hard to prove the overall impact of a lab’s work, let alone value for money (a problem shared by parallel organisations like the MIT Media Lab). Case studies can show the successful growth and spread of new ideas – but most really transformative ideas are likely to take 10-20 years to spread (digital platforms are the exception rather than the rule).<sup>xii</sup> So the most obvious – if imperfect – short-term metric of success is being seen to be useful by key holders of power and resources.

### **Labs and the ‘radical’s dilemma’**

Perhaps the fundamental challenge facing labs is the classic ‘radical’s dilemma’ – do you work from the outside to create a coherent alternative to the status quo, but risk being ignored and marginalised; or do you work within the system and directly influence the levers of power, but risk being co-opted and shifted from radical to incremental change?

Some of the Labs seek to combine top down and bottom up, inside and outside – and this must be the right route to attempt. But it requires a great deal of subtlety – mobilising champions and advocates within power structures while also experimenting outside; orchestrating small scale evidence and showing its relevance to the larger scale issues. There is, inevitably, no simple formula. Indeed, this bridging of inside and outside is inherently unstable because of the range of variables involved.

I prepared a simple chart on these dilemmas in relation to systemic change – more to map the options rather than to prescribe answers, which are bound to vary depending on the state of the field.



Indicative options for contributing to systemic innovation						
GOALS						
ACTIONS	Raise awareness of need or possibility	Design elements of new system	Reshape laws, regulation, taxes	Change attitudes, cultures	Demonstrate new system on small scale	Spread, export new system
Move into existing power structures	✓✓	✓✓	✓✓	✓	✓	✓
Research, advocacy, argument, policy promotion	✓✓	✓	✓	✓✓		
Create new organisations that exemplify new system				✓	✓✓✓	✓
Develop coalitions, networks	✓✓	✓	✓✓	✓		✓
Develop new markets					✓✓	✓

### **Future evolution**

It's likely that the demand for innovation in public sectors, civil society and around complex problems will continue to grow, and that in response labs will continue evolving.

The ones based on method are likely to become more sophisticated in their use of methods and demonstration of results; augmenting their core methods (eg data or design) with other methods to improve impact (eg knowledge of policy, economics, organisational design). Some may become **brand leaders globally** (eg for design, data, behavioural insights etc).

We should expect more sophistication in addressing the **radical's dilemma** and managing roles which straddle inside and outside: how to bring in supporters and champions; how to organise innovation in ways that improve the chances of adoption of ideas; how to advocate systemic change, and so on.

Some labs will continue to focus primarily on **problem solving** and use a range of methods according to the nature of the problem, based on more generic innovation skills (the approach taken by Nesta).

We should expect more labs to take an explicitly **experimental** approach – ie testing multiple approaches and using rigorous measurement to judge what works with control groups (while hopefully avoiding the more simplistic faith in RCTs as a universal panacea).

Some may develop place-based **testbeds**, with towns or cities serving as more overt laboratories for change.

And we should expect many labs to be set up **within existing organisations** (such as global NGOs) or networks of organisations (eg in fields such as childcare or drugs treatment), potentially sacrificing radicalism for better prospects of seeing ideas taken up.

The field as a whole will also hopefully gather more insights into practical questions, such as what **scale is optimal**; what **scope of work is ideal** (eg how many different projects or types of project at any one time?); how to organise **performance management** and assess projects at different stages<sup>xiii</sup>; or how to handle **failure** and get the right balance between a healthy openness to learn from failure, and the risk of making failure so acceptable that people don't struggle through to success?

If Labs spread we should also expect more attention to the **ethics of experimentation**, since there are very important issues of handling risk and consent involved, far more than with consumer products.<sup>xiv</sup>

Finally, there is the question of the **relationships to politics** – how much can or should labs work within explicit political priorities to help politicians shape future programmes, and how much should they seek to be insulated? When they generate radical ideas, how much should Labs move into campaigning and advocacy? How much could Labs become part of the mainstream toolkit of Mayors and Ministers?

There will be many different, and valid, answers to these questions. But this feels like a good time for labs to share experiences; to interrogate each others' methods; and to move beyond advocacy to deepening effectiveness and impact.

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<sup>i</sup> SIX is the Social Innovation Exchange; [www.socialinnovationexchange.org](http://www.socialinnovationexchange.org) and Social Innovation Europe.

<sup>ii</sup> My book *'The Locust and the Bee'* includes a chapter on utopian experimentation in the 19<sup>th</sup> and 20<sup>th</sup> centuries, and shows how many bold utopians also put their ideas into practice.

<sup>iii</sup> See his recent talk to the Social Frontiers Conference in London 2013, probably the most ambitious account of the maximalist approach to social innovation

<sup>iv</sup> WISIR paper "What is a Design Lab?," the SiG@MaRS report "Labs: Designing the Future

<sup>v</sup> [http://nyc.pubcollab.org/files/Gov\\_Innovation\\_Labs-Constellation\\_1.0.pdf](http://nyc.pubcollab.org/files/Gov_Innovation_Labs-Constellation_1.0.pdf)

<sup>vi</sup> <http://www.nesta.org.uk/publications/design-public-and-social-innovation>

<sup>vii</sup> At Nesta we've published a series of blogs on how the methods used by datalabs can become more effective – in particular by paying more attention to demand and use, and how ideas can progress along the innovation spiral.

<sup>viii</sup> [http://www.unicefinnovationlabs.org/wp-content/uploads/2012/12/DIY\\_Guide\\_v1\\_interactive.pdf](http://www.unicefinnovationlabs.org/wp-content/uploads/2012/12/DIY_Guide_v1_interactive.pdf) is UNICEF's guide to creating new labs

<sup>ix</sup> See Zaid Hassan, *The Social Labs Revolution*, 2014, which eloquently describes some of the projects done by Reos Partners.

<sup>x</sup> <http://www.nesta.org.uk/blog/how-run-lab-making-better-funding-decisions> and other blogs set out the practical lessons from Nesta's experience

<sup>xi</sup> Christian Bason, *Leading Public Sector Innovation: Co-Creating for a Better Society*, Policy Press 2010; *In studio; recipes for systemic change*, Helsinki Design Lab/SITRA, 2011

<sup>xii</sup> See Nesta's overview of performance management which discusses the practical challenges of measuring success in Labs and similar organisations

<sup>xiii</sup> This paper sets out how Nesta approaches this challenge:

<http://www.nesta.org.uk/publications/performance-management-and-reporting>

<sup>xiv</sup> A few years ago I tried to articulate some of the principles which might guide risk management around social experiments, including reversibility, choice, how grounded in existing evidence, the costs of inaction &c.